

**ASSEMBLY BILL**

**No. 1043**

**Introduced by Assembly Member Richman**

February 23, 2001

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An act to amend Section 1349 of the Health and Safety Code, relating to health care service plans.

LEGISLATIVE COUNSEL'S DIGEST

AB 1043, as introduced, Richman. Health care service plans.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, requires, among other matters, a person to be licensed by the Director of the Department of Managed Health Care to engage in business as a health care service plan, unless exempted from that requirement.

This bill would make nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 1349 of the Health and Safety Code is  
2     amended to read:  
3     1349. It is unlawful for any person to engage in business as a  
4     plan in this state or to receive advance or periodic consideration in  
5     connection with a plan from or on behalf of persons in this state  
6     unless ~~such~~ *the* person has first secured from the director a license,  
7     then in effect, as a plan or unless ~~such~~ *the* person is exempted by  
8     ~~the provisions of~~ Section 1343 or a rule adopted ~~thereunder~~ *under*  
9     *that section*. A person licensed pursuant to this chapter need not be  
10    licensed pursuant to the Insurance Code to operate a health care

- 1 service plan or specialized health care service plan unless the plan
- 2 is operated by an insurer, in which case the insurer shall also be
- 3 licensed by the Insurance Commissioner.

